

Factors Influencing Economic Growth in Developing Countries

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Abstract— *This study draws on a survey to investigate the non-economic factors underlying economic growth. The aim of this study is to examine the impact of non-economic factors on economic growth in Kurdistan region of Iraq. An empirical quantitative technique utilized to analyze the present research. The sample size was 71 forms were collected that were accomplished accurately. The findings of the questionnaire provide empirical support to a number of significant research hypotheses, contributing in this way to existing literature. However, the findings revealed that the highest preventing corruption or establishing an effective anti-corruption will have a significant and positive impact on economic growth.*

Keywords— *Non-economic factors, Economic growth, Developing countries, Kurdistan.*

I. INTRODUCTION

Since producing supported economic in Kurdistan stays a standout amongst the most squeezing difficulties to advancement, it is basic that Kurdistan-specific determinants of economic growth are examined. In the meantime, despite the slow situation of Kurdistan's economic growth and its ability to move in thirty years from undergrowth and outrageous destitution to a rising worldwide economic power had pulled in the consideration of numerous creating nations, incorporating those in Kurdistan. For Kurdistan, the key variables driving its economic growth are residential speculation, exchange receptiveness, introductory wage, and rustic offer of the populace. Elements driving down Kurdistan's growth incorporate expansion rate, residential credit to the private part, net advancement inflows, populace growth, phone thickness, and oil and horticultural/crude materials costs. One key finding is that while Kurdistan is twice as open as Kurdistan, transparency does not emphatically and essentially influence Kurdistan's growth, not at all like in Kurdistan. The essential source is that Kurdistan imports more than it delivers out while the turnaround is valid for Kurdistan. Besides, the structure of Kurdistan's fares is one-sided towards customary essential product trades not at all like Kurdistan that has quickly moved towards makes.

There are some economic unavoidable issues facing everyone that underline every single economic clarification of growth. Potentially the most noteworthy factor is that, keeping in mind the end goal to aggregate the capital products, the purchaser merchandise should be inevitable at present to create more units of customer products later on. An expansion in the measure of capital products or capital arrangement is named as a venture. For the economic growth to happen the level of speculation must be more noteworthy than the measure of deterioration, i.e. the amount by which machines destroy or end up obsolete amid the year. The more prominent the power of venture over devaluation the bigger the planned yield of the economy later on. Acs, et al., (2018) proposed that genuine economic growth can be contemplated utilizing an idea of two-segment, economic growth – a deviation or business cycle and an economic pattern part.

The pattern part or economic growth is responsible for the long haul extension and depicts economic effectiveness. The deviation segment of economic growth needs to have a zero mean an incentive over the long haul. Ogundari and Awokuse, (2018), inquired about and proposed exogenous stuns as the power driving vacillations of the genuine GDP growth rate. Their exploration amid the most recent 30 years has uncovered various highlights of the foremost factors engaged with the portrayal of the economic advancement however still numerous issues still exist in managing the hypothesis of economic growth. Croes, et al., (2018), proposed a GDP growth demonstrate that needy just on the adjustment in a particular age associate in the populace and the achieved level of genuine GDP per capita. The model expressed that, genuine GDP per capita has a steady growth increase and the watched vacillations can be clarified by the populace segment change. The model has disclosed that in created nations the genuine GDP per capita with time, more often than not develops alongside a straight line if no critical change in the particular age populace saw in the characterized period. The relative growth rate of GDP can be influenced by various variables, some of which demonstrate a reverse relationship while different elements demonstrate an immediate relationship. This paper is

dedicated to break down the degree to which those variables influence GDP growth in creating nations when contrasted with creating nations. The previous decade has seen a restored enthusiasm for the principle factors driving economic growth in the creating nations. A couple of nations – including the United States, the innovation pioneer – have encountered an increasing speed in growth of GDP per capita, yet other real economies have failed behind, bringing up issues with regards to the part of mechanical advance and also approach and establishments. This paper goes for revealing some insight into these issues by introducing proof on the long haul interfaces between approach settings, organizations and economic growth in creating nations while controlling for hidden contrasts in mechanical advance. Specifically, the concentration is two-overlap: to start with, on the conceivable impacts of human capital, innovative work movement, macroeconomic and basic arrangement settings, exchange strategy and budgetary economic situations on economic effectiveness; second, on the impacts of a large number of similar factors on the aggregation of physical capital. While observational examinations bolster the pertinence of these components for economic growth, this writing regularly depends on a vast arrangement of nations, including numerous creating economies and, once compelled to the test, comes about are frequently inadmissible (Huchet-Bourdon, et al., 2018). The cross-country fluctuation in both growth examples and potential logical factors is considerably littler on the off chance that one spotlights on the sub-test. Consequently, information quality and the estimation approach expect a much more essential part in the observational examination. We handle the two issues by utilizing orchestrated creating information and a novel econometric approach that accommodates growth show suspicions with accessible information.

II. LITERATURE REVIEW

2.1 Meaning of Economic Growth:

Economic growth can be characterized as a positive change in the level of merchandise and ventures delivered by a nation over a specific timeframe (Isik, et al., 2018). A critical normal for economic growth is that it is never uniform or same in all areas of an economy. For instance, in a specific year; the media transmission segment of a nation has denoted a noteworthy commitment in economic growth though the mining division has not performed well the extent that the economic growth of the nation is concerned. There are sound hypothetical justification for belligerence that there is a solid and positive connection amongst receptiveness and economic growth (Dellink, et al., 2018).

Receptiveness empowers the misuse of near favorable position, innovation exchange and dispersion of learning, expanding scale economies and presentation to rivalry. Countless have affirmed such a positive connection however there have been a few researchers who have reprimanded the strength of these discoveries particularly on methodological and estimation grounds. In spite of the fact that the imperative part foundations play in molding economic execution has been recognized long time prior, it isn't as of not long ago that such factors have been analyzed experimentally in a more formal manner (Siddique, et al., 2017). Panayotou (2016) features five key foundations (political, human resource, education, social and corruption), which apply coordinate effect on economic growth, as well as influence different determinants of growth, for example, the physical and human capital, speculation, specialized changes and the economic growth forms. On these grounds Herndon (2014) contends that none of the customary elements would have any effect on economic execution if there had not been created a steady and reliable institutional condition.

Components affecting life economic aspects advancement vary contingent upon the nation where they are considered. In excess of 30 exact scholarly investigations have been distributed on the impact of key factors on interest forever economic matters. These elements are: statistic, macroeconomic, social and mental, institutional, and also those relying upon the guarantors themselves (Donaldson and Hornbeck, 2016). Numerous creators demonstrate to the significance of swelling rate, accessible pay of nationals, economic growth of the nation, standardized savings, and additionally populace (for instance, birthrate, future, instructive level, and so on.), on life economic matters patterns assessed that there is a sure effect of GDP, GDS (net local investment funds) per capita, urbanization, grown-up education, future during childbirth, death rate, expansion, genuine loan fee and the cost of economic aspects on the interest forever economic aspects in Asian nations, and demonstrated that there is a huge positive connection between life economic aspects premium and gross local reserve funds, pay per capita and economic growth of the nation, while expansion negatively affects life economic matters (Moore, et al., 2015). Piketty (2015) break down the elements clarifying life economic matters request in 7 developing economies as well. The outcomes propose that wage, expansion, loan cost, and the young reliance proportion are critical determinants of life economic matters utilization. Law (2014) gauges that a critical effect on the advancement of both life and non-life economic matters has the salary and its dissemination

among populace. Acs et al. (2018), consider that the reason of the positive effect on interest forever economic matters is additionally the need of utilized guardians to secure their kids against the danger of guardians' initial demise. The salary, as well as the circulation on the level of nation can significantly affect total interest for economic aspects. The imbalance of pay conveyance is in converse extent to life economic aspects infiltration, yet the interest forever economic aspects relies upon the cooperation between the levels of wage and the kind of its circulation, which demonstrates that pay dissemination disparity may ambiguously affect interest forever economic matters (Ogundari and Awokuse, 2018). Croes et al. (2018) found that rich individuals needn't bother with hazard security through economic aspects, while needy individuals have constrained economic capacities, i.e. they reasoned that white collar class of the populace has the most astounding enthusiasm forever economic aspects items. Further, they inferred that a more equivalent dispersion of pay expands the white collar class of the populace and in this way it positively affects interest forever economic aspects. Be that as it may, a base extra cash sum is fundamental for the individuals from white collar class to have the capacity to bear the cost of life economic matters. All the more precisely, as indicated by these creators, white collar class isn't the objective gathering forever economic matters buy and they infer that there is a negative connection between interest forever economic matters and uniform salary appropriation (Huchet-Bourdon, et al., 2018).

2.2 Factors affecting economic growth

We specified toward the start of the section that "extreme" determinants allude to factors like government productivity, organizations, political and regulatory frameworks, social and social components, geology and demography. A critical determinant in the writing is the state institutional system. Isik, et al., (2018), expressed that five sort of institutional structures (property rights, administrative foundations, establishments for macroeconomic adjustment, organizations for social protection and establishments of peace making) can have an immediate result on growth and on different determinants of economic growth. Dellink et al. (2017), express that debasement has a tendency to have a negative impact one growth by influencing advancement and other start up exercises and may lessen efficiency. On account of growth, debasement cam restricted the new business people to enter the market. The endeavors that need to pay a major measure of cash for rewards have a tendency to decrease their creation and furthermore contort their figures (Siddique, et al., 2017).

Panayotou (2016) decided the effect of corruption on economic growth for 22 creating nations, previous communist states in the Balkans, East and Central Europe and Asia. The aftereffects of their investigation showed that debasement had factual noteworthiness and a negative effect on economic growth. Rather than thinks about in which corruption is seen as an occupant to economic growth, there are papers that consider that debasement can be recipient since it can make the economy more proficient and encourage for speculators an approach to pass more prohibitive and set up rules (Herndon, et al., 2014) considered that in specific conditions debasement can have a grease impact on growth. Political variables like political administrations, political precariousness, common opportunity, the impression of legislative issues assume additionally an imperative part in cultivating economic growth (Donaldson and Hornbeck, 2016). Political insecurity negatively affects organizations and their wiliness to contribute, can make viciousness and rebellion in the general public and at last can have genuine results on economic growth. Moore and Diaz, (2015), explored the negative impacts of higher degrees of political shakiness on economic growth. The channels of transmission through which political shakiness influences economic growth are profitability, physical and human capital aggregation. Likewise vote based system may have a little negative impact on economic growth. Observational writing is as yet equivocal relating the hugeness of popular government in cultivates economic growth. It might affect growth. Socio-social factors likewise have an essential part on economic growth.

Ethic decent variety and discontinuity, dialect, religion, municipal standards, convictions are among the sociocultural determinants that may affect economic growth (Piketty, (2015). Ethnic assorted variety may negatively affect growth by lessening trust. It can negatively affect training (low education). Political unsteadiness, immature economic framework, high open deficiency, immature foundation, the significance of topography on growth has been very much looked into. After World War II there was a surge in the observational investigation of topography. Bhattacharya (2016) investigated the effect of geology and environmental change in Europe and its strength over the provinces. North-Atlantic and Mediterranean Europe were the innovative focuses of the world after the middle Ages finished. Law and Singh, (2014), proved that topography can influence from numerous points of view economic growth. Soil quality can have an effect on farming profitability. Characteristic assets specifically add to the industrialization of a nation by basic segments for

generation. Atmosphere directly affects generation and states of mind with respect to utilization. The geology of an area or state can have a positive or negative effect on transport costs and on correspondence. What's more, not minimum, ailments can influence medicinal services, creation and the collection of human and physical capital.

2.2.1 Human capital

The presentation of human capital in the generation work has added to enhancing the nature of work which has expanded the growth rate of GDP per capita. The main driving forces were given by (Ogundari and Awokuse, 2018). They have focused on that instruction contributes straightforwardly to growth by enhancing the capabilities, aptitudes and profitable limits of people. Human capital appears to influence economic growth basically through capital collection (Tyndorf and Glass, 2017). As an outcome, human capital must be translated as a factor of generation in the (Faggian, et al., 2017) hypothesis. The special case was developing countries in the second 40% of the twentieth century where was discovered. Be that as it may, the appraisals in section 6, in light of the frequently utilized full scale Mincer condition, were of a general sort. In spite of the fact that they permit separating between the speculations of Siddiqui and Rehman, (2017), these assessments still do just mostly represent a conceivable unevenness impact and are just halfway adjusted to the recorded advancement ways of the diverse nations. This might be the reason for the low coefficients of the growth of per capita human capital which we found. Throughout the years there has been a broad research work that analyzes the commitment of human capital in the growth procedure for both created and creating economies. Jameel and Naeem, (2016), found that essential and auxiliary enrolment rates have a positive growth impact; however this was not generally valid for grown-up proficiency rates. Fang and Chang, (2016), found that the normal education years have a noteworthy positive effect on the economic yield. By applying input-yield examination Ogundari and Awokuse, (2018), contemplated the wellsprings of growth for the economy of the developing countries over the time of 1990s to 2010 and they found that economic growth for the developing countries were commanded by interests in data and advanced education. In light of two phases slightest square Tyndorf and Glass, (2017), attempt to research the effect of human capital on economic growth, they find that education and future both decidedly add to economic growth. Enhancements in wellbeing gauges are related with increment in yield because of expanded work efficiency and capital aggregation. Su and Liu, (2016), have examined long run connection amongst instruction and economic

growth in Nigeria. They have utilized two channels to test the noteworthiness of human capital for economic growth. In the principal channel, human capital is utilized as an autonomous factor of generation and in the second channel; human capital influences economic growth through innovation parameter. As per their discoveries, accomplished works compel essentially influences economic growth through the two channels. All the more as of late, Ogundari and Awokuse, (2018), takes a gander at the effect of instruction on economic growth of many developing countries amid the period 1970s-2010 utilizing "contingent sham" and training achievement for the populace matured. The outcomes uncover that training quickens growth in a cross-segment of economies once mainland fakers are being controlled for. In light of utilizing the Generalized Methods of Moments (GMM), Tyndorf and Glass, (2017), analyzed the impact of the creation of human capital on economic growth in developing countries the outcomes demonstrated that tertiary instruction had assumed a more imperative part than essential and optional training on economic growth. In addition, the part of the synthesis of human capital on provincial economic growth is significant to the level of improvement. The more created regions advantage more from tertiary training, while immature ones depend more on essential and optional instruction. For the instance of Sudan, Faggian, et al., (2017) utilized expressive and relative methodologies and utilized the Organization for Economic Cooperation and Growth's meaning of science and innovation S&T. She found that the low level and wasteful money related and HR committed to S&T together with deficient economic structure; implying that Sudan lingers behind driving creating nations as far as S&T input-yield markers. Additionally, deficient budgetary and HR hampered the potential part of R&D to contribute towards improvement, adjustment to imported advances and advancement of neighborhood innovation.

In the field of economic matters, learning is considered as an arrangement of aptitudes and capacities that can be utilized to deliver new products. In the writing on endogenous growth, learning typified in people is named as human capital. This writing features the significance of learning for economic growth at the nation level, proposing that human capital clarifies the majority of the variety in growth crosswise over nations. Subsequently, learning, as training and profitable capacities, is conveyed to the focal point of discourses on drivers of growth. The general conclusion is that human capital is an essential, if not the most critical, potential wellspring of growth Siddiqui and Rehman, (2017). It is trusted that the capacities of

individuals shape the structure and advancement of the economy. Information aggregation and recombination bring new thoughts and enhance both efficiency and the nature of items. In a more extensive macroeconomic sense, higher human capital additionally supports business enterprise and growth, which prompt higher growth rates (Jameel and Naeem, 2016). Be that as it may, this writing accept homogeneity of institutional and economic settings crosswise over national limits. As a general rule, nations are heterogeneous from numerous points of view, with various laws, establishments, sorts of government, and strategies that could influence the connection between human capital and growth (Fang and Chang, 2016). Thusly, the quality of the connection between human capital and growth will contrast crosswise over nations, making a need to distinguish the institutional and economic variables that debilitate or fortify the connection between human capital and growth. For example, solid administrative foundations are required to prompt the implementation of work laws identified with reasonable wages and straightforward enlisting and terminating systems, making an appropriate workplace for the qualified work constrain. Besides, nations with elevated amounts of debasement are by and large portrayed as lacking fair rights, and this prompts imperfect usage of human capital. This thusly debilitates the connection between human capital and growth. At long last, a nation with positive entrepreneurial arrangements will probably pull in and hold qualified people who look to begin their own organizations. An absence of chances in this sense makes it troublesome for business visionaries to shape new companies, in this way under-using the capability of the qualified work drive. In the following area, we expand on some institutional and economic elements that condition the impact of human capital on economic growth at the national level. Most cross-country investigations have expected that nations take after a typical, adjusted growth way, yet this presumption has been met with far reaching feedback. The discoveries of a progression of multi-nation examinations by Ogundari and Awokuse, (2018), offered solid proof negating the supposition of an adjusted growth way. Once the adjusted growth way presumption is evacuated, human capital as a creation factor or an advancement input never again specifically impacts growth. The impact of human capital on growth is adapted by living conditions: when living conditions are positive, the commitment of human money to growth is opened up. In Tyndorf and Glass, (2017), examinations of an example of created and creating nations, it was demonstrated that nations don't really take after comparative growth ways; rather, nations can be arranged

into classifications, each with its own particular interesting growth forms. Two of the biggest wellsprings of heterogeneity in this regard are economic multifaceted nature and the nature of foundations. The directing impact of economic many-sided quality on the commitment of human to economic growth was as of late inspected by (Su and Liu, 2016).

2.2.2 Education

Benos and Zotou, (2014) found that more noteworthy education enrolment steady with one more year of fulfillment is related with a quicker yearly growth more than 1970-2000. As indicated by them, this conclusion is vigorous in permitting a positive outside advantage from human funding to innovation. Their outcomes are predictable with Glewwe (2014) in which transitional contrasts in human capital growth rates clarify brief contrasts in nation growth rates. Saint, (2015) explored the connection amongst training and economic growth. They inspected varieties in school enrolment rates, utilizing a solitary cross-area of both the industrialized and the lessdeveloped nations. The two examinations reasoned that education has an altogether positive effect on the rate of growth of genuine GDP. Thévenon and Del Pero, (2015), likewise researched the effect of instructive consumptions by governments. Their discoveries demonstrated a solid positive effect. Utilizing instrumental variable strategies to control for concurrent causation, their relapses propose that the yearly rate of profit for state funded training is of the request of 30%. Faggian (2017) has contended that poor strategies and organizations have hampered growth in a large number of the minimum created economies, coordinating talented work into moderately ineffective exercises, subsequently upsetting the factual connection amongst instruction and growth in tests that incorporate less-created economies. Kyophilavong, et al., (2018) recommend that the issue of in secret variety in instructive quality is exacerbated in board information. Considering information quality, they demonstrate that increments in the load of education do enhance short-run economic growth. Malangeni and Phiri, (2018) affirm that immediate measures of work drive quality, from universal arithmetic and science test scores, are emphatically identified with growth. Benos and Zotou, (2014), found that growth impacts are sure, yet nonlinear. These non-straight impacts might be missed by ponders that force linearity.

The most imperative admonition for the writing on instruction and growth is that it sticks to a very long time of education as its measure of training—to the disregard of subjective contrasts in information. This misses the center of what instruction is about. The issue appears to be

significantly more serious in cross-country correlations than in examinations inside nations: Who might sensibly expect that the normal understudy in Ghana or Peru as developing countries would pick up a similar measure of information in any time of education as the normal understudy in Finland or Korea? In any case, utilizing the quantitative measure of years of education does precisely that. It is difficult to do equity to existing models of training and growth in a couple of sentences; however we should recognize some key forerunners. At an opportune time, Glewwe, et al., (2014) contended that a more taught work power would impersonate boondocks innovation speedier. The further a state was from the wilderness, the more noteworthy the advantages of this get up to speed. Saint, (2015) developed their work, contending that a more taught work power would likewise improve speedier. Thévenon and Del Pero, (2015) and Mankiw, Faggian, et al., (2017) watched that the gathering of human capital could build the profitability of different elements and in this manner raise growth.

2.2.3 Political

Political insecurity is viewed by economists as a genuine disquietude destructive to economic execution. Political unsteadiness is going to abbreviate policymakers' points of view prompting imperfect here and now probably macroeconomic strategies. It might likewise prompt a more regular switch of arrangements, making instability and consequently, adversely influencing macroeconomic execution (Li, et al., 2018). Considering its harming repercussions on economic execution the degree at which political unsteadiness is inescapable crosswise over nations and time is very amazing. Political precariousness as estimated by Cabinet Changes, that is, the circumstances in a year in which another head is named and additionally 35 percent or a greater amount of the bureau posts are involved by new pastors, is surely all around across the board showing momentous provincial contrasts. The far reaching wonder of political (and strategy) shakiness in a few nations crosswise over time and its negative consequences for their economic execution has emerged the enthusiasm of a few market analysts (Alper, 2018). All things considered, the calling created a plentiful writing recording the negative impacts of political shakiness on an extensive variety of macroeconomic factors including, among others, GDP growth, private venture, and expansion. In a later paper, Campos, et al., (2014) likewise finds that higher degrees of political shakiness prompt lower economic growth. As respects to private speculation, Webster and Ivanov, (2014), demonstrated that socio-political insecurity creates a questionable politico-economic condition, raising dangers and diminishing investment. Political unsteadiness

additionally prompts higher swelling as appeared in Berhanu and Poulton, (2014). Interestingly, the components at work to clarify expansion in their paper take after those influencing economic growth; to be specific that political flimsiness abbreviates the skylines of governments, disturbing long haul economic arrangements helpful for a superior economic execution.

The political gatherings of any nation should stay devoted on working for the social and economic improvement of their nations. This how they ought to endeavor to satisfy the general individuals and gain their help. Their means and political exercises are relied upon to be for the advancement of state of the nation and the general population; however things like this don't generally occur in the coveted way (Tang and Abosedra, 2014). At the point when the political gatherings of a nation take exceptionally antagonistic positions towards each other, at that point political shakiness develops in the nation. What's more, it hampers the coveted economic advancement of the nation. Economic growth and political soundness are firmly related. The vulnerability related with asteadfast political condition may diminish speculation and the speed of economic advancement. In addition, frail economic execution may prompt government tumble down and political flimsiness. The historical backdrop of political challenges has been instrumental amid the counter pilgrim battles of the subcontinent and later in reinforcing the equitable advance in South Asia. Notwithstanding, even long after post-pilgrim periods and vote based system rebuilding, political hazards are as yet unappeasable piece of the political culture of South Asia (Panayotou,2016). Alongside Bangladesh, India Nepal still face a concerning number of political episodes on a yearly premise, and its event is rising forcefully finished the years. These days political precariousness has been a reason for worry for some nations around the globe, independent of the condition of advancement or their political administration. Past encounters reveal to us that political clashes can disastrously affect an economy. Then again, local clashes under specific conditions can transform a nation into a delicate state status. Delicate and struggle ridden nations generally lose the capacity to create valuable connections inside their social orders and regularly experience the ill effects of a feeble capacity to attempt administration capacities (Acs, et al., 2018). These nations are more defenseless against inward and outer stuns, and thus confront shakiness. Ostensibly, given the predominance of casual part in economies like Bangladesh, the unfriendly effect of political insecurities could be bring down when contrasted and more created nations. Some different

examinations which have embraced an idea of political precariousness like our own have discovered impacts of flimsiness on swelling (Ahmad and Hall, 2017). Numerous examinations have recognized different wellsprings of fast growth in those economies, for example, human capital collection, physical capital amassing, innovation change, remote exchange, outside exchange speculation and mentalities of individuals. Indeed, even each one of those elements decidedly added to economic growth, every one of them straightforwardly and in a roundabout way relies upon political steadiness which those economies had amid their time of improvement. This examination centers for the most part around, how political solidness, joined with political framework influence the wellsprings of economic growth in a roundabout way and economic growth straightforwardly (Rougier, et al., 2018).

2.2.4 Social

As of late there has been a developing enthusiasm for how different social-social elements may affect growth (Dellink, et al., 2018). Trust is a critical variable that has a place in this classification. Economies are relied upon to have more grounded incenses to develop, to gather physical capital and to show wealthier HR, which are all conducive to economic growth (Moore, et al., 2015). Ethnic differing, thusly, may negatively affect growth by diminishing trust, expanding polarization and provoking the reception of approaches that have nonpartisan or even negative impacts regarding growth (Siddique, et al., 2017). A few other social-social variables have been analyzed in the writing, for example, ethnic empathy and dividing, assorted in dialect or in religion, convictions, demeanors and so forth, however their connection to economic growth is by all accounts backhanded and vague. For example social different may have either a negative effect on growth because of rise of social dubious or even to social clashes, or a beneficial outcome since it might offer ascent to a pluralistic domain where collaboration can prosper. There is a disparity of sentiment being developed hypothesis whether 'ecological maintainability' is an essential of economic growth and neediness mitigation, or economic growth and destitution easing are required before 'natural manageability' can even be tended to. There is some proof that 'ecological maintainability' might be an important pre-state of managed economic growth. For instance, the United States has been growing the measure of its property region secured by trees since the 1910s and currently dealing with its dirt's since the 1920s. These measures have significantly enhanced America's profitability in paper items and foodstuffs since the Great Depression. Then again, some creating nations, for instance, Costa Rica, are risking their

long haul economic prospects by taking part in avaricious asset consumption. Net misfortunes of common capital in these countries jeopardize social increases from enhancements in budgetary, specialized and human capital (Tyndorf and Glass, 2017). The Social Growth Department's Conflict Prevention and Reconstruction unit built up a Conflict Analysis Framework (CAF) to incorporate affectability to strife in the Bank's help strategies. The CAF considers the variables that may influence struggle inside six zones (social and ethnic relations, administration and political foundations, human rights and security, economic structure and execution, condition and common assets, and outside powers) along a progression of measurements (Rougier, et al., 2018). Additionally, the World Bank's Fragile States Unit⁸ has added to the advancement of scientific and operational devices for planning contributor programs that mull over the political-security-improvement nexus in delicate states.

2.2.5 Corruption

Wang, et al., (2018) occupied with an experimental examination of corruption by exploring the connection amongst venture and debasement for 28 developing countries. Their debasement variable is characterized as how much business exchanges include corruption and faulty installment. The normal proportion of aggregate and private venture to GDP for the period in the vicinity of 1960 and 1997 is drawn, while the debasement marker is the basic normal for the nation being referred to for the period from 1990 to 1999 (Brianzoni, et al., 2018). These outcomes are reliable with the view that debasement is malicious for economic growth. In any case, the correct channels through which corruption influences economic growth are not settled observationally. CieřlikandGoczek, (2018), built up another logical system to evaluate the impacts of debasement and the channels through which it influences the rate of GDP growth. Through an examination of the connection amongst corruption and anticorruption measures from one viewpoint, and economic execution on the other, and an investigation of the complex channels through which this relationship works, this paper offers a superior comprehension of the intricate components obliging the economic capability of nations influenced by this marvel. In fact, it shows that, while the immediate connection amongst debasement and GDP growth is hard to evaluate, corruption has noteworthy negative impacts on a large group of key transmission channels, for example, venture (counting FDI), rivalry, business enterprise, government proficiency, incorporating concerning government uses and incomes, and human capital arrangement (Neanidis, et al., 2017). Moreover, debasement influences other essential pointers of

economic advancement, for example, the nature of the earth, individual wellbeing and security status, value (salary dissemination), and different sorts of social or urban capital ("trust") - which affect fundamentally on economic welfare and, on account of trust, likewise a nation's improvement potential (Blackburn, et al., 2017). The impact of corruption on economic execution has pulled in researchers' consideration as of late, particularly in less created nations. This line of request has generally centered around the destructive impacts of debasement on growth (Cieřlik and Goczek, 2018). Truth be told, Al Baiti, (2017) distinguished corruption as one of the primary impediments to economic growth for poor people. Corruption is characterized by (Cieřlik and Goczek, 2018) as the utilization of open office for private gains". It can go up against various structures, extending from the bungle of people in general office by gift, blackmail, misrepresentation, theft, and nepotism to support. It is viewed as institutional issue, regardless of whether as far as governmental issues, economic matters, or individual and social issues (Huchet-Bourdon, et al., 2018). Since the understanding of corruption is exceedingly logical, (Faggian, et al., 2017) characterize debasement as the sale by government authorities of government property for individual gain". (Jameel and Naeem, 2016), agreed with this view and characterized debasement as a „exchange of either merchandise or administrations by government representatives (civil servants) as an end-result of some affectation and including a component of impropriety". The mishandle of open power isn't simply for one's individual pick up, it is likewise for the advantage of gathering, clan, class, family, and companions. A couple of studies have contended that corruption can be, actually, useful to economic growth, as it enables people and organizations to go around a wasteful lawful framework (Isik, et al., 2018). Nonetheless, the contentions of the hurtful impact of corruption on growth are generally acknowledged. The surviving writing has for the most part discovered that debasement is wasteful, as it makes squander in light of its effect on generation and utilization (Tang and Abosedra, 2014). Degenerate specialists surely hurt their principals. Yet, the general misfortune may be less in light of the fact that the operator picks up and the primary may alter. A net misfortune will come about, in any case, if the specialist makes advances in the key's domain, as well as if basic leadership is mutilated. This kind of mutilation isn't anything but difficult to bind. A first evident impact is that corruption will bring down the specialist's exertion. In the event that he intrigues with outsiders who dishonestly guarantee that the specialist served them he acquires slack and can commit more opportunity to recreation. There is

additionally a critical effect on the nature of products. An operator may need to pick between different customers. If there should arise an occurrence of debasement, his choice would be one-sided for those customers who pay the biggest reward, rather than the individuals who give high caliber. This can be best outlined for the instance of a sale, where debasement might be methods for wasteful firms to win an open delicate (Siddique, et al., 2017). Positively, in idealize markets the individuals who deliver most effectively can likewise manage the cost of the biggest rewards, recommending that no contortion emerges. This conclusion is even legitimate when data about contender's activities is incomplete. In any case, markets are ordinarily defective and contenders will vary in their slant to offer rewards. For the instance of trading nations this is appeared in (Neanidis, et al., 2017). This generally comes about because of the substantial exchange costs related with making degenerate arrangements. Due to the related dangers and the private institutional plans required to uphold degenerate arrangements, the hover of those in a situation to make degenerate arrangements is restricted to some insiders. The individuals who are most disposed to pay off and best associated for masterminding a degenerate exchange are not really the most proficient.

III. RESEARCH METHOD

3.1 Research Model

Economic Factors

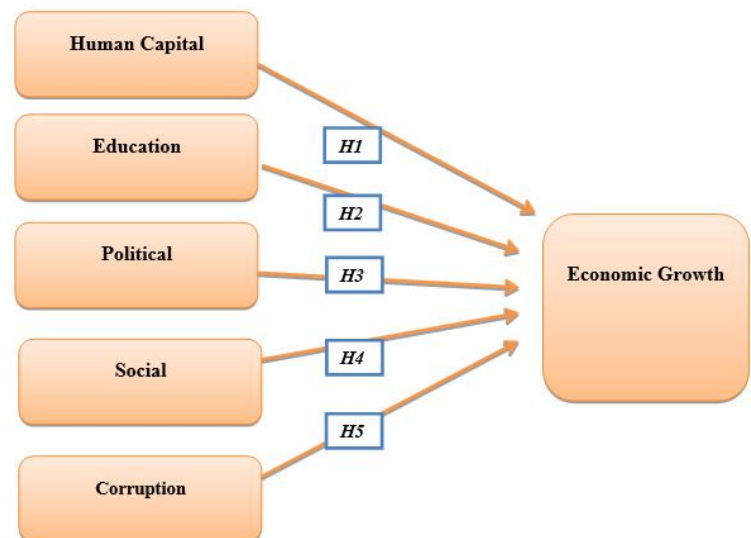


Fig.1: Research Model

3.2 Hypotheses

Based on the developed research model as it can be found in figure (1), the researcher was able to develop five research hypotheses as follow:

H1: Human capital as non-economic factor has a positive impact on economic growth.

H2: Education as non-economic factor has a positive impact on economic growth.

H3: Political as non-economic factor has a positive impact on economic growth.

H4: Social as non-economic factor has a positive impact on economic growth.

H5: Preventing corruption or anti-corruption as non-economic factor has a positive impact on economic growth.

3.3 Design of the Study

The aim of this study is to examine the impact of non-economic factors on economic growth in Kurdistan region of Iraq. An empirical quantitative technique utilized to analyze the present research. The survey was divided into two separate parts, the first part comprises of demographic information of respondents; beginning with participant's

gender and participants' age. The second section of survey comprises of 48 items, eight items belonged to human capital factor, six items belong to education factor, seven items belonged to political factor, six items belonged to social factor, seven items belonged to corruption factor, and 8 items belonged to economic growth factor.

3.4 Sample Size, sampling method and Population

The researcher applied a random sampling method, where all respondents had equal chances of being selected for the sample. The research was carried out at 12 businesses in Erbil. The population of this research was approximately 489 employees, accordingly to cover the entire research population; 95 surveys were distributed but 71 forms were collected that were accomplished accurately.

IV. RESULTS AND ANALYSIS

Table.1: Demographic

Elements	Scales	Frequency	Percentage
Gender	Male	59	83
	Female	12	17
Age	18-25	15	21
	26-35	34	48
	36-45	18	25
	45 and above	4	6

Table 1 demonstrates participants' demographic information, the results revealed the followings: As for participants' gender, 59 male participated in the current study from total of 71 participants and 12 female

participants participated in this study. As for participants' age, 15 participants were from age 18 to 25 years old, 34 participants were from age 26 to 35 years old and 18 participants were from age 18 years old.

Table.2: Reliability Statistics

Cronbach's Alpha	Number of questions
.799	42

Table 2 presents the reliability tests for five independent factors (human capital, education, political, social, and corruption) and economic growth as dependent factor. According to the finding of reliability tests, the value of

Cronbach's Alpha for 42 items was found to be .799 which is more than 0.6 indicated that 42 items were reliable for this research.

Table.3: Correlations analysis

Factors	Pearson	HR	Education	Political	Social	Corruption
Economic growth	Pearson	.737**	.697**	.701**	.609**	.725**
	Sig.(2-tailed)	.000	.000	.000	.000	.000
	N	71	71	71	71	71

Table 3 demonstrates the correlation analysis between each five independent factors (human capital, education, political, social, and corruption) and economic growth as dependent factor. The value of Pearson correlation between

human capital and economic growth was .737** this indicated that there is a significant correlation between human capital and economic growth, the value of Pearson correlation between education and economic growth was

.697** this indicated that there is a significant correlation between education and economic growth, the value of Pearson correlation between political and economic growth was .701** this indicated that there is a significant correlation between political and economic growth, the value of Pearson correlation between social and economic

growth was .609** this indicated that there is a significant correlation between social and economic growth, and the value of Pearson correlation between prevent corruption and economic growth was .725** this indicated that there is a significant correlation between prevent corruption and economic growth.

Table.4: Model Summary

Model	R	R square	Adjusted R square	Std. Error of the Estimate
1	.946a	.895	.889	.10347

a. Predictors: (Constant), human capital, education, political, social, corruption

As seen in the Table 4, the value of R square = .895 which indicates that 89% of variables have been explained.

Table.5: ANOVAa

Model	Sum of square	Df	Mean	F	Sig.
Regression	6.047	4	1.152	140.163	.000
Residual	.710	66	.011		
Total	6.757	70			

a. Dependent Variable: economic growth

b. Predictors: (Constant), human capital, education, political, social, corruption

Table 5 presents the value of F for five independent factors and a dependent variable is 140.463 >1 which indicates there is a significant relationships between each five

independent factors (human capital, education, political, social, and corruption) and economic growth as dependent factor.

Table.6: Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.167	.191		.875	.000
Human capital	.478	.106	.491	.778	.000
Education	.319	.018	.324	1.312	.000
Political	.649	.142	.671	1.418	.000
Social	-.267	.075	-.237	-2.962	.014
Corruption	.712	.015	.718	1.056	.000

a. Dependent Variable: economic growth

Table 6 demonstrates the coefficients test for this study. The findings revealed that the B value of for human capital factor = .478 > 0.01, which indicated that there is a positive and significant impact of human capital on economic growth, therefore the first hypothesis is supported, the B value of for education factor = .319 > 0.01, which indicated that there is a positive and significant impact of education on economic growth, therefore the second hypothesis is supported, the B value of for political factor = .649 > 0.01, which indicated that there is a positive and significant impact of political on economic growth, therefore the first hypothesis is supported, the B value of for social factor = -.267 < 0.01,

which indicated that there is no impact of social on economic growth, therefore the first hypothesis is supported, and the B value of for corruption factor = .712 > 0.01, which indicated that there is a positive and significant impact of corruption on economic growth.

V. CONCLUSION

This study draws on a survey to investigate the non-economic factors underlying economic growth. The findings of the questionnaire provide empirical support to a number of significant research hypotheses, contributing in

this way to existing literature. The research of the economic growth theory is a very complex process that evolved in many decades and centuries. The researcher determined the five non-economic factors that be able to highlight the economy raging from public expenditure, openness and foreign direct investment or non-economic. The findings revealed that there is a positive and significant impact of human capital on economic growth, there is a positive and significant impact of education on economic growth, there is a positive and significant impact of political on economic growth, and there is a positive and significant impact of corruption on economic growth. However, it was found that the highest preventing corruption or establishing an effective anti-corruption will have a significant and positive impact on economic growth.

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